Message Text

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INFO OCT-01 ISO-00 SSO-00 /026 W

-----211429Z 123742 /50

O 211239Z MAY 77

FM AMEMBASSY MANILA

TO SECSTATE WASHDC IMMEDIATE 0071

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EXDIS

E. O. 11652: GDS

TAGS: SHUM, US, RP

SUBJECT: IN WONDERLAND WITH IMELDA

1. MRS. MARCOS CAME TO LUNCH ALONE AND STAYED TWO AND ONE-HALF HOURS. WE TOUCHED UPON ALL THE PRIORITIES AND OTHER TOPICS AS WELL. THE ATMOSPHERE WAS EXTRAORDINARILY, THAT'S THE WORD FOR IT, EXTRAORDINARILY CORDIAL, EXCEPT FOR THE MANY EMBARRASSINGLY INVIDIOUS COMPARISONS WITH PREVIOUS AMEIRCAN AMBASSADORS. WE WERE REPEATEDLY REMINDED THAT TODAY'S LUNCHEON REPRESENTED THE FIRST TIME IN THE TWELVE YEARS OF THIS PRESIDENCY THAT SHE, OR PRESIDENT MARCOS, EVER HAD BEEN INVITED TO THE AMERICAN EMBASSY SOCIALLY ON A PERSONAL BASIS; ALTHOUGH SHE ACKNOWLEDGED THAT THEY HAD BEEN INCLUDED, VERY INFREQUENTLY, IN SOME "EVENTS." THUS, MRS. MARCOS SAID, THE PRESIDENT WAS DELIGHTED WITH TODAY'S INVITATION, HAD EXCUSED HER FROM A PREVIOUS ENGAGEMENT, AND WAS BRAGGING ABOUT IT JUST BEFORE LUNCH AT THE DEDICATION OF THE BULLETIN PRESS BUILDING.

2. I EXPRESSED MY DISMAY AT THIS NEGATIVE PERCEPTION OF THE EMBASSY HERETOFORE. BUT SHE HELD FAST TO IT, ADDING THAT THE AMERICAN EMBASSY HAS BEEN CONSIDERED, AND CHARACTERIZED, BY THE PRESIDENT, HERSELF AND OTHERS AS THE "SANCTUARY OF THE OPPOSITION." I ARGUED THAT ANY EMBASSY SHOULD CONFIDENTIAL

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STAY IN TOUCH WITH THE OPPOSITION. SHE AGREED BUT SAID IT IS A MATTER OF BALANCE AND "FIFTY-FIFTY IS NO BALANCE IN A COUNTRY WHERE THE MAJORITY SUPPORTS THE GOVERNMENT."

3. MRS. MARCOS REITERATED MOST OF THE POINTS SHE HAD MADE DURING DINNER MAY 18 WITH PARTICULAR STRESS UPON PRESSURES MAKING THE PHILIPPINES "SCHIZOPHRENIC," UPON THE

PRESIDENT'S, HER AND THE FILIPINO PREFERENCE FOR THE "RIGHT" (AMERICAN), AND UPON PRESIDENT MARCOS' BASIC COMMITMENT TO HUMAN RIGHTS BROADLY UNDERSTOOD IN THE PHILIPPINE CONTEXT (SEPTEL). OBVIOUSLY HAVING DONE HER HOMEWORK, I.E., LISTENED TO THE TAPE I HAD SENT HER OF MY BRIEFING OF THE MANUFACTURERS HANOVER TRUST CO. GROUP (SEPTEL), MRS. MARCOS COMMENTED AT LENGTH ON INCOME DISTRIBUTION AND ECONOMIC DEVELOPMENT, UNEMPLOYMENT, POPULATION, POPULAR SUPPORT, AND SUCCESSION. SHE SAID THAT THE CURRENTLY WIDE DISCREPANCY OF INCOME IS NECESSARY AT THE PRESENT STAGE OF PHILIPPINE ECONOMIC DEVELOPMENT TO ENCOURAGE MIDDLE-CLASS ENTREPRENEURSHIP AND EFFECT CAPITAL ACCUMULATION, AS WAS DONE IN THE UNITED STATES BY THE ROCKERFELLERS AND FORDS. IN DUE COURSE, THE BENEFICIARIES WILL RETURN THE FAVOR THROUGH HIGHER TAXATION. MEANWHILE, UNPRODUCTIVE WEALTH IS BEING GIVEN THE SQUEEZE TREATMENT. SOMEWHAT DISENGENOUSLY, SHE NOTED THAT THE GOP FIGURE OF 4 0/0 UNEMPLOYMENT COMPARED FAVORABLY WITH SUCH FIGURES IN DEVELOPED COUNTRIES. WHEN I REFERRED TO THE PLIGHT OF THE SACADA ARGICULTRUAL WORKERS. SHE RATHER AIIMIO# DISMISSED THE PROBLEM AS ONE THAT IS RESOLVED BY ECONOMIC SUPPORT WITHIN THE EXTENDED FAMILY SYSTEM, ON POPULATION, MRS. MARCOS EMPHASIZED THE EFFECTIVENESS OF THE GOP FAMILY PLANNING AND NUTRITION PROGRAMS. WHILE RECOGNIZING THE PROBLEM OF PROVIDING MEANINGFUL EMPLOYMENT FOR THE INCREASINGLY LARGE NUMBER OF WOULD-BE ENTRANTS INTO THE LABOR FORCE. SHE EVIDENCED A GENERAL FAITH IN THE CAPACITY OF THE PHILIPPINE PEOPLE TO GENERATE THE NECESSARY SOLUTIONS. NOT SURPRISINGLY, SHE WAS DECIDEDLY OF A MIND THAT THE PHILIPPINE PEOPLE CONFIDENTIAL.

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IN OVERWHELMING MAJORITY SUPPORT PRESIDENT MARCOS AS, SHE SAID, IS CONSISTENTLY DEMONSTRATED IN REFERENDA. "OTHERWISHE, HOW COULD WE HAVE STAYED IN POWER FOR THESE TWELVE YEARS?" CONCERNING SUCCESSION, MRS. MARCOS SAID THAT THE PERSONS, NOT MILITARY, WHO HAVE BEEN DESIGNATED TO MANAGE THAT TRANSITION WILL, IN THE EVENT, SOLICIT CANDIDATES AND SUBMIT THEM TO THE DECISION OF THE PEOPLE. "IT WILL NOT BE A MATTER OF BONG BONG, IMEE OR MRS. MARCOS. INDEED, I HAVE TOLD THE CHILDREN THAT THEY MUST LEARN TO STAND ON THEIR OWN FEET, AGAINST THE TIME WHEN BEING A MARCOS WILL BE A POSITIVE DISADVANTAGE."

NOTE BY OC/T: #AS RECEIVED.

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4. OTHER TOPICS IN THIS GRAB BAG INCLUDED THE LIBYANS, AND THE PRESS. AS TO THE FORMER, MRS. MARCOS CHARACTERIZED QUADHAFI AS A HIGHLY INTELLIGENT, UNSOPHISTICATED YOUNG MAN, IDEALISTIC EVEN NAIVE, OUT OF THE DESERT, SURROUNDED BY A HOST OF UNREALIABLE RADICALS EXERCISING PERFIDIOUS INFLUENCE. SHE CONSIDERED FOREIGN MINISTER TURAYKI THE WORST OF THE QADHAFI ADVISORS. TOO OFTEN, SHE RECALLED, QADHAFI WOULD AGREE IN A PRIVATE DISCUSSION, AND HIS SUBORDINATES WOULD TURN HIM OR IT AROUND. SHE NOTED THAT PRESIDENT MARCOS' AND HER COMMUNICATION WITH QADHAFI REMAINS OPEN, AND THAT THE PRESIDENT CONSIDERS THE RECENT QADHAFI STATEMENT AT THE CURRENT ISLAMIC CONFERENCE IN TRIPOLI TO HAVE BEEN MODERATE.

5. MRS. MARCOS WAS RELATIVELY RESTRAINED IN COMMENTING ON THE BANEFUL EFFECTS OF THE WESTERN PRESS. TODAY SHE SEEMED MOST INTERESTED IN SUGGESTING THAT THE EMBASSY COULD BE HELPFUL IN ORIENTING THE WESTERN PRESS MORE POSITIVELY TOWARD THE PHILIPPINES. IN THIS REGARD, SHE COMMENTED THAT IN THE PAST THE EMBASSY DID THE OPPOSITE AND SEEMED "TO BE INCITING THE CORRESPONDENTS TO A RAGE AGAINST US." I EXPRESSED MY SURPRISE AT THIS COMMENT AND ADDED THAT ATTEMPTS TO MANIPULATE THE WESTERN PRESS IN EITHER DIRECTION WOULD BE HAZARDOUS CONFIDENTIAL

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AND MOST PROBABLY COUNTERPRODUCTIVE, AND THAT OUR APPROACH AND TO REMAIN OBJECTIVE AND PROFESSIONAL OR WE WOULD LOSE ALL CREDIBILITY.

6. MRS. MARCOS COMMENCED HER DEPARTURE WITH EFFUSIVE

THANKS FROM HERSELF AND IN BEHALF OF PRESIDENT MARCOS FOR "THIS EXTRAORIDINARY SHOW OF PERSONAL WARMTH AND HOSPITALITY." SHE SAID THAT SHE SAW THE EFFECT AS THE BEGINNING OF A NEW AND AUSPICIOUS CHAPTER IN RELATIONS WITH THE EMBASSY AND WITH THE CARTER ADMINISTRATION, A RELATIONSHIP UNMARRED BY "ARROGANCE." SHE VERY MUCH WELCOMED OUR NEW DEPARTURE, WHICH SHE CALLED ORIENTAL AND BOUND TO BE VERY EFFECTIVE, AND WHICH SHE CHARACTERIZED AS "MOST SOPHISTICATED WITH THE HUMILITY OF REAL STRENGTH."

7. COMMENT: FOR ALL THE HEAVY AND HEADY TOPICS WITH THEIR POTENTIAL FOR CONTENTION, AND DESPITE THE DIRECTNESS OF LANGUAGE, THE ATMOSPHERE THROUGHOUT THIS DISCUSSION WAS MOST CORDIAL, OCCASIONALLY EMOTIONALLY WARM, WITH MUCH GOOD HUMOR AND MANY ASIDES ON ART, LITERATURE AND OTHER SUBJECTS OF MUTUAL INTEREST.

8. I WAS PLEASANTLY SURPRISED WITH HOW VERY WELL THE MEETING CAME OFF. WE ALL (MRS. MARCOS, MY WIFE AND I) HAD DONE OUR HOMEWORK AND WERE TRYING VERY HARD. IT WORKED, THIS TIME AT LEAST. I REALIZE THAT THERE ARE LIMITATIONS AND HAZARDS IN ALL OF THIS--NOT THE LEAST OF WHICH IS THE BUILDING OF ILLUSIONS AND THEIR EVENTUAL COLLAPSE. I DID MAKE IT CLEAR TO MRS. MARCOS THAT EXPECTATIONS SHOULD NOT BE INFLATED, THAT RHETORIC AND FORM WHILE NOT WITHOUT SIGNIFICANCE, COULD NOT SUBSTITUTE FOR SUBSTANCE. ALSO, THAT I WOULD BE NOBODY'S PATSY WITH THE PRESS OR ANYBODY ELSE, BECAUSE THAT WAS NOT MY WAY AND, IN ANY EVENT, IT WOULD DESTROY CREDIBILITY AND THEREFORE UTILITY. NONETHELESS, THERE CONFIDENTIAL.

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MAY WELL BE DIFFICULTIES AND DISAPPOINTMENTS ON BOTH SIDES OF THE "NEW RELATIONSHIP" THAT WE CHOSE TO AGREE UPON TODAY. HEDGING, I EXTRACTED HER PROMISE TO CHECK WITH ME BEFORE BELIEVING ANYTHING UNTOWARD ABOUT US POLICY OR THE AMERICAN EMBASSY, AND SHE INVITED ME TO DO THE SAME THROUGH HER OR DIRECTLY TO THE PRESIDENT WHENEVER I HAD SIMILAR CAUSE FOR CONCERN. LET'S HOPE, AND WORK, FOR THE BEST.

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